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Saudi Arabia: Uncertain Stability

Persian Gulf Futures III

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Conclusions

- Saudi Arabia has been one of the most stable of the U.S. allies in the Arab Middle East and a long-time collaborator in assuring oil production at reasonable prices.
- Saudi Arabia is also a state in transition, presided over by an ailing monarch and an extensive family network whose princes play a prominent role in the country's political and economic life. The economy is plagued by overspending, domestic debt, and uncertain income from oil revenues. The social compact between the Al Sa'ud rulers and the ruled is showing signs of fraying as royals compete with commoners for allocation of the country's wealth and resources.
- A growing number of Saudis, encouraged perhaps by the regime's Islamist critics, are calling for greater participation and accountability in government. They are not calling for western-style democratic institutions, seeing these perhaps as too innovative and threatening for their fragile, conservative society.
- Like their Gulf counterparts, the Al Sa'ud are consumed more by the perceived threat from domestic opponents than Iraq or Iran. They support the U.S. military presence as being an effective deterrent against external aggression, but increasingly many privately reject dual containment as a realistic strategy.
- Leadership change, when it comes, is likely to produce little change in basic policies and threat perceptions. The ruling family is large, and its relationships in society are too extensive to be easily overturned. Most elites share the Al Sa'uds' prejudices: support for Islamist causes, suspicions of U.S. intentions, and reluctance to rely solely on the United States for its protection.

Background

The ongoing political transition in the kingdom poses few immediate problems for the United States. The Al Sa'ud have a tradition of strong leadership and survival skills. They rule by consensus, which tends to keep family feuds in check, and through their control of the military and security services, and the religious establishment. Succession from Fahd to his half-brother Abdallah and from Abdallah to Sultan is not at issue. There are, however, serious stress lines, including:

- A perception of drift and indecisiveness at the top;
- Accusations of greed that appear to exceed tolerated levels;
- Reluctance to initiate significant political and economic reform to allow inclusion of a small number of non-royals;
- A daunting demographic explosion, where more than half of the population is under 15 years of age;
- Failure to Saudi-ize the work force or find employment for a growing number of young male graduates who are ill-equipped with the technical or professional skills necessary for today's job market.

The official Saudi government focus is on Islamic extremists encouraged by foreign influences. The more serious threat to the Al Sa'ud, however, comes from Saudis of the middle generation-men in their 30s, 40s, and 50s-who enjoy the benefits of Saudi citizenship and who increasingly resent the family for its depletion of the country's wealth and unfair competition for influence and profit. These Saudis' views of the nation's special relationship with the United States is changing as memories of the Iraqi threat to the Saudi oil fields fade and the costs of the U.S. military deployment rise. While willing to maintain the *status quo* in support of U.S. policies and force presence, a growing number of royals and commoners in Saudi Arabia say they would prefer a decreased U.S. military presence and less reliance on foreign forces for their defense.

Three Scenarios for Change

Three scenarios suggest possible alternatives for Saudi Arabia, with or without the Al Sa'ud. They range from the most probable scenario of no change in who rules or how decisions are made, through a modest expansion of the political process to incorporate "new men" and limited reform, to a radical restructuring of the political system through a cabal of radical Islamists and disgruntled princes. Each scenario has implications for the way Saudi Arabia is ruled, its perception of internal and external threats, and its reliance on the United States.

Scenario 1: Muddling Through. The most probable future, and the one least likely to have any impact on U.S. policy, is the accession of Crown Prince Abdallah-seen by many Saudis as a reformer-as king, and Defense Minister Sultan as crown prince. Popular expectations that Abdallah would engineer reform and curb domestic greed are not likely to materialize, however. Abdallah is a conservative, not a modernist and is unlikely to be a true reformer. In this scenario the key word is **gradualism**. Under Abdallah, the government would probably:

- *Form stronger alliances with tribal and religious Wahhabi elements*, reinforcing the family's traditional ties with conservative segments of Saudi society.
- *Fail to address adequately the kingdom's deep-seated economic problems*. Abdallah would probably be unable to curb corruption. Saudi-ization is an oft-cited goal, but burgeoning population growth and lack of skills would cause unemployment to rise.
- *Urge a more humanitarian approach to the plight of the Iraqi people under sanctions*. Abdallah supports the territorial integrity of Iraq and is uncomfortable with the policy of dual containment, but as king he would be unlikely to buck the U.S. position on maintaining sanctions on Baghdad.

He would exhibit greater concern over a perceived threat from Iran, whom he blames for troubles in the Eastern Province and Bahrain, but he prefers diplomacy rather than sanctions to deal with Tehran. Abdallah is more suspicious of U.S. intentions than his predecessors. Washington would likely remain Saudi Arabia's major trading partner, political ally, and protector, but Abdallah would be more assertive regarding Saudi self-interest. There would probably be little change in U.S. force presence in the kingdom. (It is already less visible and downsizing reflects U.S. changes, not Saudi requests.)

Fahd, Abdallah, and Sultan are all in their mid-70s. A series of rapid successions could occur over a 5- to 10-year period. If this is the case, then the kingdom's political stability could become unpredictable, its fiscal imbalances unsustainable. This phase of Scenario 1 assumes a greatly weakened economy with no borrowing, and a more stressed political environment.

- Three solutions offer relief to economic woes. The new government could cut defense spending, cut subsidies, or cut special projects. The consequences of each would be unacceptable to the Al Sa'ud: less patronage for the senior princes, strained relations between royals and non-royals, greater hardship for the middle and lower classes. Cuts across the board would only increase domestic disaffection and levels of unrest. The Al Sa'ud are likely to avoid these solutions.
- Along with economic hardship would come increased grumbling and security threats. The younger princes could become a focus of discontent-either as a rallying point in place of their discredited elders or as symbols of those feeling dispossessed by economic cutbacks. The Al Sa'ud would probably try to suppress these threats.
- The Al Sa'ud-under Sultan or another Al Sa'ud senior prince~~Y~~ could be expected to seek reductions in the U.S. force presence to pre-1990 levels and cut defense spending, all of which make it more difficult to deter Iraq. If accommodation fails, they would call for U.S. assistance.

There are trip wires to this scenario. The chief constraint on Abdallah as king would be Sultan. Sultan may not be happy with economic reform measures or shifts in the delicate balance between Abdallah's National Guard and the Armed Forces which Sultan controls as Defense Minister. Other constraints on any Al Sa'ud successor include uncertain oil revenues and Islamist opposition. Abdallah has better credentials as a "true" Arab and Muslim, but neither he nor Sultan are likely to bow to Islamist critics, allow the new middle class a significant voice in decision making, or alleviate discrimination against the Shi'ah in job security or advancement.

Scenario 2: The Al Sa'ud and the New Men. A less likely scenario for change depicts the broadening of political authority under Fahd's successors with the opening of the appointive consultative council to representatives of the new middle class. Who are the so-called new men? Some are traditional liberals in the Saudi sense-older professionals who aspire to be appointed to the council and younger academics who hold government posts; they are discreet in their public views of the ruling family and in their understanding of the limits of Saudi society as it is today. Others are Islamists-some of whom are liberal in their belief in the need for political reform but who are, at the same time, conservative in social and religious matters. The clerics among them are respected and more sophisticated than those currently in jail for criticizing the Al Sa'ud. The new imams are careful not to criticize the Al Sa'ud when they address the absence of social justice. The new men also include the business community, members of the new chambers of commerce, and CEOs of Saudi and international corporations. Again, they tend to see life as it is rather than as it should be. They see the lack of technical skills and training that makes many Saudi youth unemployable, and they have become the safety net for many in society who are poor and lacking in the family superstructure which mythically protects all Saudis. And finally, they are members

of the Al Sa'ud extended family-the less wealthy, better educated, and, possibly, the disgruntled and impatient who are tired of waiting for a role in the family business.

Such a new coalition would possess a different view of the utility of U.S. relations than does Fahd. They oppose arms purchases and ask, "if we are spending so much on weapons systems, why do we depend on the United States to defend us?" They see the U.S. presence as defending the royal family, not necessarily Saudi Arabia. And, they dislike dual containment, which they perceive as counter to Saudi national interests. Like Scenario 1, their solution is the reduction, but not the elimination, of the U.S. military presence.

Scenario 3: Islamist Arabia. In the final-and most extreme-scenario, a cabal of young princes-men in their 30s, 40s and 50s-form a coalition with Islamist extremists similar to the new clerics described above. The princes soon find they are junior partners and that the Islamists are in control. The new clerics are not as ignorant of the outside world as their extremist predecessors; some will have been educated in the West or lived outside Arabia. They may lack administrative experience but are likely to be quick learners who will learn how to acquire, use, and keep power. This would be the first step in a two-stage revolution which ultimately-in 5 to 10 years-could include the dumping of all royals, and direct rule by Islamist clerics and non-clerics in a redefined Islamic Republic of Arabia. However, Arabia would be unlikely to become another Iran. There probably would not be strict clerical rule, elections, representative government, or democracy except as defined in the Quran and by the practices of Muhammad. There are other implications under this scenario:

- **Arabia remains united.** Friction might increase between the Najdis and Hijazis. There would be shifts in tribal and family alliances and a need for increased internal security to keep the new Arabia and its true Muslims united. Common interests, including a stable oil income, would keep Arabia united.
- **The search for the 'ummah.** The Islamists' would focus on expanding relations with the global 'ummah (Muslim community), actively opposing the Arab-Israeli peace process, supporting extremist Muslim causes, and redefining relations with the West, especially the United States. The Islamists would have a much lowered perception of Baghdad and Tehran as threats, but they would also carry Saudi cultural prejudices about Persian Iran, secular Iraq, and Shi'ahs everywhere. Whatever their initial perception, they may be realistic enough to sense a potential threat from Baghdad, in particular, if central authority in Arabia is weak and the U.S. military presence has been downsized or eliminated. This wariness could cause the new Arabians to move more carefully in breaking relations with the United States, although they would still demand all foreign military forces be removed from the Peninsula. Their willingness to support Islamist causes could mean a resurgence of international terrorism aimed, in particular, at the United States, Israel, or Arab states supporting the peace process.
- **Populist economics with an Islamist flavor.** The Islamists would probably have a protectionist, populist, and isolationist vision of Arabia's new economic plan but little means to apply it in a country still dependent on oil as the sole source of income and totally reliant on imports for everything else. Oil prices would rise as a result of market anxiety, and the Islamists could realize a cash windfall. The new regime might be willing to use oil as a weapon, either keeping it in the ground (saying that Arabians should lead simpler, less materialistic lives) or applying selective embargoes to achieve policy goals, for example to protest U.S. support for Israel.
- **Changes in defense needs.** Islamists are likely to diversify both arms sales and trade, with a large share going to Muslim countries and Europe. Internal police duties, such as enforcing the strict

moral and dress code on Arabian women, would remain in the hands of an invigorated religious police (*mutawayyin*).

Where are the trip wires here? While the Islamists would probably anticipate U.S. intervention at least in the oil-rich Eastern Province, the real checks on their power would be internal, tribal ones. A revolution might not be durable, especially if the new Saudis from Scenario 2 are able to assert themselves as power brokers between the Islamists, the parts of the more secularized Saudi society needed to run the government and the oil industry, and the external world on which the new Arabians must depend for income and non-interference. Most importantly, the Al Sa'ud are a large extended family, with more than 7,000 princes spread throughout the country in complicated alliances with influential tribal and clan groups. It would be nearly impossible to eliminate, isolate, or marginalize their influence entirely in a system run on patronage and intermarriage for several generations.

A Caveat

Saudi Arabia's transition will most likely involve elements of Scenarios 1 and 2. Family consensus has determined the next several successions, and there is not likely to be a dramatic change in the balance or exercise of power in the kingdom for the next 5 to 10 years. Demographics, overspending, corruption, and uncertain oil demand are creating strong forces for change in the kingdom however, and the Al Sa'ud are not likely to concede readily to any demands for change. The possibility that the voices for change will come from younger princes, an aggrieved and unenfranchised middle class of new men, and alienated imams may not be far-fetched.

Recommendations

- U.S. policymakers need to be aware that regardless of the size of the U.S. presence in country, the Saudis will have ***high expectations of U.S. capabilities to protect them even as Saudi policies diminish those capabilities***. The United States should ensure that Saudi Arabia understands the security trade-offs of diminishing capabilities.
- The United States needs to ***exercise caution in soliciting Saudi support*** for causes that do not incorporate Saudi security or national self-interest. Riyadh will readjust its policies towards Iran to suit its threat perception, and not that of Washington's. If pressed unduly, the Saudi regime may back away from the pro-U.S. regional security posture it now supports.
- Absent an immediate, direct physical threat to the kingdom, the U.S. government should ***restrain aggressive pursuit of arms sales while also encouraging Saudi economic retrenchment***. The United States will remain a major trading partner and arms exporter for the kingdom but is likely to lose market share to Europe and Asia in succeeding Saudi governments.
- The Saudis should be subtly reminded of their need for ***greater transparency and accountability*** in government, a basic respect for human rights, and participation in political decision-making that is the vision of the Quran and Islamic tradition. Encouraging the government to follow their own traditions to create a safety valve is a delicate task but may be necessary to stave off more dramatic changes.

This paper draws on a series of workshops with scholars and government policy analysts who examined alternative futures and their policy implications for Iraq, Iran, and Saudi Arabia. The workshops were held in association with the Royal United Services Institute, London, and the Institute for National Strategic Studies, National Defense University, Washington, DC. Dr. Yaphe is an INSS Senior Fellow.

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